

Kennedy and Norwood dispute the industry view and say their bills would not permit suits against employers unless they actually participated in the decisions leading to injury.

But industry groups say higher costs and the potential for suits could cause some big employers to stop offering health plans for their workers.

"There is no question, we believe, that this would cause a lot of employers to drop coverage. They just couldn't take the risk," says Dan Danner, chairman of the Health Benefits Coalition, made up of business groups organized to fight the bills.

His group has run ads in selected congressional districts attacking the bills as protecting "fat cat trial lawyers" rather than the sick. Danner says his group's spending is approaching \$2 million, and individual companies are spending more.

Fighting for the bills are consumer groups and an unusual alliance of doctors and trial lawyers, who are traditionally adversaries in malpractice cases. The lawyers have let groups with more sympathetic public images, such as doctors, wage the visible campaign while the lawyers lobby aggressively inside Congress.

THERE ARE PROBLEMS

Industry officials say their decisions are protected because they are not, strictly speaking, medical decisions. Instead, they say the decisions revolve around what treatments are or are not covered by a plan. Doctors, who are liable to lawsuits for their decisions, dismiss that claim.

"That's absurd because they are making medical decisions," says the AMA's Reardon. "They're hiding behind the facade that it is not medical, that it's a coverage decision."

Some industry officials agree that some new regulation of managed care plans is needed, short of dropping the prohibition on suits.

"There are problems with managed care," says Danner. "Hopefully the debate will focus on the best way to solve those problems without significant unintended consequences."

Advocates from Norwood to the AMA say that accountability is at the heart of the issue. Making HMOs liable for their decisions would bring dramatic change for all patients, not just those inclined to sue, they say.

"If the plans are held as accountable as I am for the medical decision-making," Reardon says, "it will benefit the patient."

ABOUT THE MANAGED-CARE BILL

Here are key provisions in a managed-care regulation bill proposed by Rep. Charlie Norwood, R-Ga.

A Democrat-sponsored bill is similar.

Gag rule. Plans may not restrict discussions between their doctors and patients, including treatment options.

Legal liability. Eliminates federal law blocking individuals from suing managed-care companies for malpractice.

Emergency care. Requires plans to pay for emergency care in most cases without prior authorization.

Information. Plans must provide information about policies and appeals procedures in a uniform and understandable manner.

Access. Plans must have enough doctors or other providers to ensure that patients have timely access to benefits.

Choice. Patients can choose a doctor or other health provider within the plan.

Appeals. An independent outside third-party appeals board must be available to hear appeals of treatment denials.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Williams, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting three treaties and sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE RECEIVED DURING ADJOURNMENT

ENROLLED BILL SIGNED

Under the authority of the order of the Senate of January 7, 1997, the Secretary of the Senate, on June 26, during the adjournment of the Senate, received a message from the House of Representatives announcing that the Speaker has signed the following enrolled bill:

H.R. 2646. An act to amend the Internal Revenue Code of 1986 to allow tax-free expenditures from education individual retirement accounts for elementary and secondary school expenses, to increase the maximum annual amount of contributions to such accounts, and for other purposes.

The enrolled bill was signed subsequently by the President pro tempore (Mr. THURMOND).

MEASURES PLACED ON THE CALENDAR

The following bill was read the second time and placed on the calendar:

S. 2236. An act to establish legal standards and procedures for product liability litigation, and for other purposes.

The following bill was discharged from the Committee on Armed Services, and ordered placed on the calendar:

S. 2052. An act to authorize appropriations for fiscal year 1999 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Retirement and Disability System, and for other purposes.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on June 26, 1998, he had presented to the President of the United States, the following enrolled bill:

S. 2069. An act to permit the mineral leasing of Indian land located within the Fort Berthold Indian Reservation in any case in which there is consent from a majority interest in the parcel of land under consideration for lease.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. GORTON, from the Committee on Appropriations, without amendment:

S. 2237: An original bill making appropriations for the Defense of the Interior related agencies for the fiscal year ending September 30, 1999, and for other purposes (Rept. No. 105-227).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources: Report to accompany the bill (S. 1683) to transfer administrative jurisdiction over part of the Lake Chelan National Recreation Area from the Secretary of the Interior to the Secretary of Agriculture for inclusion in the Wenatchee National Forest (Rept. No. 105-228).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources with an amendment in the nature of a substitute:

S. 638: A bill to provide for the expeditious completion of the acquisition of private mineral interests within the Mount St. Helens National Volcanic Monument mandated by the 1982 Act that established the Monument, and for other purposes (Rept. No. 105-229).

S. 1403: A bill to amend the National Historic Preservation Act for purposes of establishing a national historic lighthouse preservation program (Rept. No. 105-230).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, without amendment:

H.R. 1439: A bill to facilitate the sale of certain land in Tahoe National Forest, in the State of California to Placer County, California (Rept. No. 105-231).

H.R. 1779: A bill to make a minor adjustment in the exterior boundary of the Devils Backbone Wilderness in the Mark Twain National Forest, Missouri, to exclude a small parcel of land containing improvements (Rept. No. 105-232).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. GORTON:

S. 2237. An original bill making appropriations for the Defense of the Interior related agencies for the fiscal year ending September 30, 1999, and for other purposes; from the Committee on Appropriations; placed on the calendar.

By Mr. LOTT (for Mr. MCCAIN (for himself and Mr. BRYAN)):

S. 2238. A bill to reform unfair and anti-competitive practices in the professional boxing industry; to the Committee on Commerce, Science, and Transportation.

By Mr. MURKOWSKI:

S. 2239. A bill to revise the boundary of Fort Matanzas Monument and for other purposes; to the Committee on Energy and Natural Resources.

S. 2240. A bill to establish the Adams National Historical Park in the Commonwealth of Massachusetts, and for other purposes; to the Committee on Energy and Natural Resources.

S. 2241. A bill to provide for the acquisition of lands formerly occupied by the Franklin D. Roosevelt family at Hyde Park, New York, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. DEWINE (for himself, Mr. GRASSLEY, Mr. KOHL, Mr. ABRAHAM, Mr. SESSIONS, and Mr. COVERDELL):

S. 2242. A bill to amend the Controlled Substances Import and Export Act to place limitations on controlled substances brought into the United States from Canada and Mexico; to the Committee on the Judiciary.

By Mrs. HUTCHISON:

S. 2243. A bill to authorize the repayment of amounts due under a water reclamation